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FBI Agreed To 10-Day Delay In Contra Probe

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On Oct. 30 Associate Attorney General Stephen S. Trott asked FBI Director William H. Webster to delay for 10 days any non-urgent aspects of an FBI investigation into Southern Air Transport Inc., a former CIA-owned company that was used to ship arms to Iran and to the contra rebels in Central America, it was learned yesterday.

Justice Department officials acknowledged in a statement yesterday that the investigation into arms shipments to Nicaraguan counter-revolutionaries was briefly halted this fall for "national security" reasons. They refused to deny a report that the delay was due to negotiations over hostages in the Middle East.

They also declined to say who requested the delay, but it was learned yesterday that Trott told Webster he was calling on behalf of Attorney General Edwin Meese III, and that Webster agreed to the delay. After 10 days, the investigation resumed, it was learned.

Trott and other officials would not comment on a report in yesterday's Wall Street Journal that the delay in the contra-related probe was requested because of concern

that it could endanger the lives of hostages in the Middle East. The story raised the possibility that Meese or other department officials may have known earlier than they have acknowledged about connections between U.S. hostage negotiations and arms sales to Iran and clandestine assistance for the Nicaraguan contras.

Justice Department spokesman Patrick Korten denied that Meese or other department officials knew about the diversion of money from Iranian arms sales to aid the contras until Meese's inquiry began Nov. 21, leading to public announcement of the diversion. Nei-

ther he nor Trott would say whether delay of the Federal Bureau of Investigation's contra probe in south Florida was tied to the hostage situation in the Middle East.

"Legitimate national security concerns required a brief delay into portions of inquiries involving Southern Air Transport several weeks ago," Korten said, reading from a statement. "This brief delay did not adversely affect the conduct of these inquiries."

"At no time during this period did officials of the Department of Justice have or obtain knowledge of anything related to recent disclosures of funds transferred to the contras which were involved with the Iranian arms transfers," Korten said.

He repeated the attorney general's assertion that the department learned of the diversion of funds during a weekend fact-finding inquiry that began Nov. 21, four days before Meese announced it in a televised news conference.

Southern Air Transport is a Miami-based cargo carrier that the Reagan administration used to ferry arms to Iran. It also has been linked to private resupply missions to the Nicaraguan rebels. During the period when the FBI probe of Southern Air Transport's role in contra funding was halted, an arms shipment was made to Iran. In addition, David Jacobsen, an American hostage in the Middle East, was freed on Nov. 2, three days after the delay was requested.

Thus it is possible that Meese, who was advising the White House on the secret arms shipments to Iran, was trying to avoid exposing the airline's clandestine activities in either country—Iran as well as Nicaragua—when the administration was attempting to win the freedom of hostages.

Korten said the delay in the probe occurred "several weeks ago," lasted for "about a week" and that Assistant Attorney General William F. Weld, head of the Criminal Division, knew nothing about the delay.

The FBI probe that was delayed for 10 days began after Nicaragua shot down a cargo plane loaded with supplies for the contras on Oct. 5 and captured one of its crew members, Eugene Hasenfus.

Leon Kellner, the U.S. attorney in Miami, said yesterday that he was not informed of the FBI probe in south Florida or of the delay, even though he has been conducting a similar investigation with the FBI for about nine months into private arms shipments to the Nicaraguan rebels.

Kellner's probe concerns a privately arranged shipment of arms to the contras on another airline in March 1985, several months before the secret arms shipments to Iran began.

The FBI preliminary inquiry into Southern Air Transport has yet to be upgraded to a full-scale investigation. Federal investigators think that the airline, which was a CIA front company in the 1970s, was part of an aerial resupply mission to the contras run by retired Air Force major general Richard V. Secord.

Officials have confirmed that Secord is a subject of the Justice Department's main investigation of the Iran-contra connection, which Meese is seeking to turn over to an independent counsel.

Yesterday's disclosures brought renewed calls from members of Congress urging that information on all Justice Department probes involving aid to the contras be turned over to the independent counsel when that person is named by a special three-judge panel. Meese has said the department will continue to pursue the Florida-based inquiries into contra funding.

Also yesterday, Sen. Joseph R. Biden Jr. (D-Del.), incoming chairman of the Senate Judiciary Committee, asked the Justice Department's Office of Professional Responsibility to investigate whether the department has improperly interfered with any FBI probe into arms to Iran or the contras.

Sen. John F. Kerry (D-Mass.) said in an interview that the Justice Department "has no credibility anymore" and that "you can't go on with excuses being given that cite national security." He said the latest disclosure "clearly underscores the need for the mandate of the independent counsel" to be broadened to include all contra probes and the Justice Department's handling of those inquiries.

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Sen. Kerry said he had urged Meese to write a letter in July to look into the private network supplying the contras and that "to this day I have not received a response from the attorney general."

Rep. John Conyers Jr. (D-Mich.) also called for an expanded charter for the independent counsel, saying, "This is precisely what a conflict of interest produces in criminal investigations."

Conyers, who demanded an explanation in a letter yesterday to FBI Director Webster, said, "The Justice Department appears to be more interested in protecting policy objectives and covering up potential crimes than enforcing the law."

In a related development, U.S. Attorney Kellner denied allegations that one of his prosecutors had threatened to seek an indictment of two persons in the public defender's office in Miami if they did not stop looking into the March 1985 private arms shipment from south Florida to the contras.

Ralph Maestri, an investigator in the public defender's office, said from Miami yesterday that Assistant U.S. Attorney Jeffrey Feldman

and two FBI agents made the threat in a meeting last March. Maestri, confirming a report in yesterday's Miami Herald, said the law enforcement officials told him that he "might see the inside of a grand jury room" if he did not drop his examination of the weapons shipment to the contras.

"Maybe they were just trying to scare us," Maestri said. "We hadn't done anything wrong They said Justice wasn't interested in this."

Maestri and the public defender, John Mattes, were investigating the arms shipment in an effort to seek lenient treatment for their client, Jesus Garcia, who was involved in the shipment to the contras through Costa Rica and had been convicted of an unrelated weapons charge.

Assistant U.S. Attorney Ana Barnett, a spokeswoman for Kellner, said the allegations were "ridiculous" and that no such threats were made.

She said the only warning to Maestri and Mattes involved information that they had posed as U.S. officials in Costa Rica, and that the two men were told this was illegal.

"I will take the evidence wherever it leads me," Kellner said. "Whatever I find—arms violations, Neutrality Act violations—if I believe there is sufficient evidence of a crime, those cases will be brought."

Sen. Kerry, whose staff has investigated the matter and who received memorandums from Maestri and Mattes, said yesterday that he finds their allegations credible.